

## AGENDA ITEM



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Set Public Hearing for May 3, 2006, to Consider Adopting Resolution Adjusting CPI-Based Water and Wastewater Rates

**MEETING DATE:** April 19, 2006

**PREPARED BY:** Public Works Director

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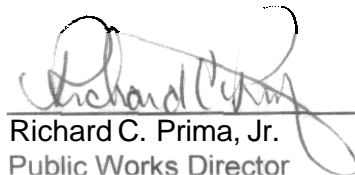
**RECOMMENDED ACTION:** That the City Council set a public hearing for May 3, 2006, to consider adopting a resolution adjusting CPI-based water and wastewater rates.

**BACKGROUND INFORMATION:** In the spring of 2004, the City Council approved rate increases for water and wastewater services. The City-wide public notification and resolution passed at that time included provisions for future rate adjustments based on the Consumer Price Index (CPI).

Resolution No. 2004-77 states that the index to be used shall be the San Francisco-Oakland-San Jose CPI for all items (unadjusted) and the rate increase shall not exceed the percentage change in the CPI index since the previous adjustment. The price index for December 2004 was 199.5 and 203.4 for December 2005, which translates to 1.95%. This increase on all water and wastewater service charges results in adjusted rates as shown on the attached tables. The rate increase is on all water and wastewater service charges, except for the PCE/TCE charges under water service. (The PCE/TCE rate analysis included a cost inflation allowance in establishing those increases with the three-step increase.) The increase amount for a 3-bedroom home is \$0.52 for water and \$0.49 for wastewater. The effective date of the increase is July 1, 2006.

**FISCAL IMPACT:** Increased annual water and wastewater fund revenue (approximately \$140,000 and \$150,000, respectively).

**FUNDING AVAILABLE:** Not applicable.

  
Richard C. Prima, Jr.  
Public Works Director

Prepared by Rebecca Areida, Management Analyst

RCP/RA/pmf

Attachments

cc: Steve Mann, Information Systems Manager

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**APPROVED:**   
Blair King, City Manager

**City of Lodi Water Utility**
**Proposed Water Rates**

Single-Family Residential	Current Rates				Rates Effective 7/1/2006			
	Base	Infr.	PCE/TCE	Monthly Total	Base	Infr.	PCE/TCE (2nd step)	Monthly Total
1 BR - House	13.67	4.97	2.43	21.07	13.94	5.07	4.86	23.87
2 BR - House	16.41	5.97	2.92	25.30	16.73	6.09	5.84	28.66
3 BR - House	19.68	7.15	3.50	30.33	20.06	7.29	7.00	34.35
4 BR - House	23.64	8.60	4.20	36.44	24.10	8.77	8.41	41.28
5 BR - House	28.36	10.32	5.04	43.72	28.91	10.52	10.09	49.52
6 BR - House	34.03	12.38	6.05	52.46	34.69	12.62	12.10	59.41
7 BR - House	40.82	14.85	7.26	62.93	41.62	15.14	14.52	71.28
Multi-Family Residential								
1 BR - APT	11.73	4.27	2.09	18.09	11.96	4.35	4.17	20.48
2 BR - APT	14.07	5.12	2.50	21.69	14.34	5.22	5.00	24.56
3 BR - APT (1)	16.88	6.14	3.00	26.02	17.21	6.26	6.00	29.47
Flat Rate Commercial/Industrial Customers - Varies, Increase all by 1.95% except PCE/TCE surcharge								
Metered Rate (2)	Base	Infr. \$/ccf	PCE/TCE	Total	Base	Infr. \$/ccf	PCE/TCE	Total
Commodity Charge per 100 cu. Ft.	0.490	0.233		0.723	0.500	0.238		0.738
monthly charge								
Comm. 5/8"	14.35		3.19	17.54	14.63		6.37	21.00
Comm. .75"	15.77		3.50	19.27	16.08		7.00	23.08
Comm. 1"	23.65		5.25	28.90	24.11		10.51	34.62
Comm. 1.5"	31.53		7.00	38.53	32.14		14.00	46.14
Comm. 2"	39.42		8.76	48.18	40.19		17.51	57.70
Comm. 3"	55.19		12.26	67.45	56.27		24.51	80.78
Comm. 4"	70.96		15.76	86.72	72.34		31.52	103.86
Comm. 6"	102.50		22.77	125.27	104.50		45.53	150.03
Comm. 8"	134.06		29.75	163.81	136.67		59.50	196.17
Comm. 10"	165.60		36.75	202.35	168.83		73.50	242.33
Construction Water Charges per 100 cu. Ft.	0.723				0.738			

(1) plus 20% for each additional bedroom

(2) Monthly total for metered commercial customers depends on amount of water used

(3) Established City Utility Discounts apply to above rates

**City of Lodi Wastewater Utility**  
Proposed Wastewater Rates

	Current Rates			Rates Effective 7/1/2006		
	Base	Infr.	Monthly Total	Base	Infr.	Monthly Total
Residential						
1 BR	10.81	4.39	15.20	11.02	4.47	15.49
2 BR	14.41	5.85	20.26	14.69	5.96	20.65
3 BR	18.05	7.31	25.36	18.36	7.45	25.81
4 BR	21.65	8.78	30.43	22.04	8.94	30.98
5 BR	25.25	10.24	35.49	25.71	10.43	36.14
6 BR	28.85	11.70	40.55	29.38	11.92	41.30
7 BR	32.47	13.16	45.63	33.05	13.41	46.46

Moderate Strength (annual per SSU)	243.12	247.80
High Strength User:		
Flow (per MG, annual basis)	2,052.00	2,092.01
BOD (per 1,000 lbs., annual basis)	338.64	345.24
SS (per 1,000 lb., annual basis)	211.73	215.86
Grease Inceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	179.30	182.80
Septic (only) Holding Tank Waste Outside City limits (per 1,000 gal.)	380.64	388.06
Disposal to Storm Drain System (per MG)	188.33	192.00
Disposal to Industrial System:		
Flow (per MG, annual basis)	1,309.48	n/a rates adusted annually per
BOD (per 1,000 lbs., annual basis)	22.82	LMC § 13.12.210
Winery Waste (per 1,000 gal.)	181.56	185.10

(1) Established City Utility Discounts apply to above rates



## CITY OF LODI

Carnegie Forum  
305 West Pine Street, Lodi

## NOTICE OF PUBLIC HEARING

Date: ~~May~~ 3, 2006

Time: 7:00 p.m.

### NOTICE OF PUBLIC HEARING

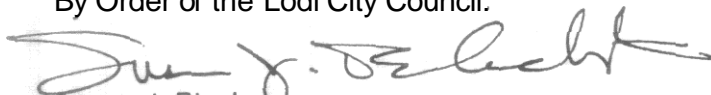
**NOTICE IS HEREBY GIVEN** that on **Wednesday, May 3, 2006**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a Public Hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Resolution adjusting CPI-based water and wastewater rates.

Information regarding this matter may be obtained in the office of the Public Works Department, 221 West Pine Street, Lodi, California. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.


If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the Public Hearing.

By Order of the Lodi City Council:

  
Susan J. Blackston  
City Clerk

**Dated: April 20, 2006**

Approved as to form:

  
D. Stephen Schwabauer  
City Attorney



***Please immediately confirm receipt  
of this fax by calling 333-6702***

CITY OF LODI  
P. O. BOX 3006  
LODI, CALIFORNIA 95241-1910

**ADVERTISING INSTRUCTIONS**

**SUBJECT** NOTICE OF PUBLIC HEARING FOR May 3, 2006 for a Resolution Adjusting  
CPI-Based Water and Wastewater Rates

**LEGAL AD**

**PUBLISH DATE:** April 22, 2006

**TEAR SHEETS WANTED:** Three (3) please

**SEND AFFIDAVIT AND BILL TO:** SUSAN BLACKSTON, CITY CLERK  
City of Lodi  
P.O. Box 3006  
Lodi, CA 95241-1910

**DATED:** April 20, 2006

**ORDERED BY:** SUSAN J. BLACKSTON  
CITY CLERK

JENNIFER M. PERRIN, CMC  
DEI

JACQUELINE L. TAYLOR, CMC  
DEPUTY CITY CLERK

  
DANA R. CHAPMAN  
ADMINISTRATIVE CLERK

**Verify Appearance of this Legal in the Newspaper – Copy to File**

LNS Faxed to the Sentinel at 369-1084 at 2:40pm (time) on 4/19 (date) 1 (pages)  
DIANE R. Phoned to confirm receipt of all pages at 2:43pm (time) JLT ☒ DRC JMP (initials)



## **DECLARATION OF POSTING**

### **PUBLIC HEARING FOR May 3, 2006 for a Resolution Adjusting CPI-Based Water and Wastewater Rates**

On Friday April 21, 2006, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing was posted for a Resolution adjusting CPI-Based Water and Wastewater Rates at the following locations;

Lodi Public Library  
Lodi City Clerk's Office  
Lodi City Hall Lobby  
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 21, 2006, at Lodi, California.

**ORDERED BY:**

**SUSAN J. BLACKSTON  
CITY CLERK**

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JENNIFER M. PERRIN, CMC  
DEPUTY CITY CLERK

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JACQUELINE L. TAYLOR, CMC  
DEPUTY CITY CLERK

  
\_\_\_\_\_  
DANA R. CHAPMAN  
ADMINISTRATIVE CLERK